



Finance Committee Meeting
Thursday, March 5, 2020
Annex Board Room
9:30 a.m.

Present: Trustees Becker and Berlind; Committee Member Robert Kirkpatrick; Library Director Burkey; Assistant Director for Administrative Services Doyle; Director of Finance & HR Administration Harlow; Marc Perlroth and Chris Sansone of Donald L. Perlroth & Co.

1. **Call to Order:** Chair Becker called the meeting to order at 9:30 a.m.
2. **Public Session/Comment:** There were no comments from members of the public.
3. **Approval of Minutes:** It was moved (Committee Member Kirkpatrick) and seconded (Trustee Becker) to accept the minutes of the February 6, 2020 Finance Committee meeting. The motion passed unanimously.
4. **Discussion of FY19 Audit:** Marc Perlroth and Chris Sansone of Donald L. Perlroth & Co. reported on the FY19 audit of the Russell Library Company. The auditors praised Director of Finance and HR Administration Harlow for her accuracy in record keeping and her help in providing all the information necessary for a successful audit, and congratulated Library Director Burkey on running a successful operation. Discussing the assets and liabilities of the library, the auditors noted that the investment amount had increased while land and building value had decreased, due to depreciation. They recommended that as the library begins a fundraising program, expenses related to raising funds should be tracked in a separate category. There was a discussion of assets that are restricted either temporarily or permanently for specific purposes. Legal opinions solicited by the library in the past (January 2016 letter from Updike, Kelly & Spellacy) indicate the original gift of a restricted asset must remain untouched. In some cases, based on the donor's request, we may spend down the income generated from the initial gift, however, we are not required to do so. Restricted assets are being used appropriately and are not being spent down. The liquidity and availability of resources is a new component of the audit. This section shows if restricted funds (\$419,061) are subtracted from the investment total (\$1,283,061), there remains a total of \$864,014 in liquid assets. The audit showed no problems with the handling of the Russell Company finances. It was moved (Trustee Berlind) and seconded (Committee Member Kirkpatrick) to accept the audit report and present it to the full Board at its next meeting. The motion passed unanimously. It was moved (Trustee Becker) and seconded (Committee Member Kirkpatrick) to ask Donald L. Perlroth & Co. submit a proposal to carry out the FY20 audit. The motion passed unanimously. Library Director Burkey-thanked Lynn Harlow for her hard work and diligence.
5. **Discussion of Restricted vs. Unrestricted Gifts:** The consensus of the committee and the auditors was that following legal advice, as long as the restricted funds are not spent down below the gifted amount or used irresponsibly, the Library may keep the staff time spent tracking purchases within reason.
6. **Facilities/Engineering Assessment:** Library Director Burkey reported that there will be a walk-through of the building on Friday March 6 and that there is a plan to write an RFP for an engineering assessment. The amount for the assessment will become an item on a "wish list" for the City to consider.

7. **New Members:** Library Director Burkey will meet with President Wisneski next week to discuss the appointment of new members to the Finance Committee.
8. **Next meeting:** The next meeting of the committee will take place on Thursday May 7, 2020 at 9:30 a.m. It was moved (Trustee Berlind) and seconded (Committee Member Kirkpatrick) to cancel the April 2 meeting. The motion passed unanimously.
9. **Adjournment:** Chair Becker adjourned the meeting at 10:35 a.m.

Respectfully Submitted,

Wendy Berlind

Wendy Berlind, Secretary